

## Message Text

CONFIDENTIAL

PAGE 01 OTTAWA 02400 302215Z

73

ACTION SCI-06

INFO OCT-01 EUR-25 IO-14 ISO-00 ACDA-19 CIAE-00 INR-11

L-03 NSAE-00 NSC-07 RSC-01 FEA-02 DODE-00 PM-07 H-03

PA-04 PRS-01 SP-03 SS-20 USIA-15 SAJ-01 EB-11 COME-00

DRC-01 /155 W

----- 043420

P R 302130Z JUL 74

FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC PRIORITY 4111

INFO USMISSION EC BRUSSELS

USMISSION IAEA VIENNA

USAEC GERMANTOWN

AMEMBASSY LONDON

AMEMBASSY PARIS

AMCONSUL MONTREAL

C O N F I D E N T I A L OTTAWA 2400

NOFORN

E.O. 11652: XGDS-1

TAGS; TECH, TGEN, CA, FR

SUBJECT: FRANCO-CANADIAN URANIUM ENRICHMENT COOPERATION

REF: PARIS 18265

1. THROUGH SENIOR CONTACTS IN MINISTRY OF ENERGY, MINES AND RESOURCES (EM&R) AND ATOMIC ENERGY CONTROL BOARD (AECB) (ESSENTIAL THAT THESE SOURCES BE FULLY PROTECTED), EMBASSY CAN REPORT FOLLOWING PRELIMINARY REACTION OF SENIOR GOC OFFICIALS TO ANNOUNCEMENT OF FRANCO-CANADIAN COOPERATION IN URANIUM ENRICHMENT:

A. MACNABB, DEPUTY MIN, EM&R, AND RUNNALS, SENIOR URANIUM ADVISOR MET WITH MINISTER MACDONALD IN WHAT WAS REPORTEDLY PROTRACTED MEETING, AFTERNOON OF JULY 29. ACCORDING TO PARTICIPANT IN MEETING, MACDONALD WAS NOT REPEAT NOT SURPROSED AT ANNOUNCEMENT  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 OTTAWA 02400 302215Z

JULY 26 FOR REASONS OUTLINED IN SUCCEEDING PARAS. HE VOICED

"CONTINUING SERIOUS CONCERN" OVER SO LARGE A FRENCH INVESTMENT IN QUEBEC AND ALSO CONCERN ABOUT THE POLITICAL PROBLEMS WHICH WOULD BE INVOLVED IN ANY GOC INTERVENTION TO STOP THE PROJECT FROM GOING FORWARD IN THE EVENT THAT RESULTS OF THE FEASIBILITY STUDY ARE FAVORABLE AS ANTICIPATED. THE MINISTER ALSO DIRECTED THAT AECB, WHICH MAUST MAKE THE FINAL DETERMINATION WHICH WOULD PERMIT A PROJECT OF THIS TYPE TO GO FORWARD, EXPLICITLY AND RIGOROUSLY APPLY IN ITS EVALUATION THE MINISTERIAL CRITERIA LAID DOWN IN HIS PRESS RELEASE OF AUGUST 1, 1973.

B. LAST FALL, GIRAUD, CEA ADMINISTRATOR, PAID COURTESY CALL ON MACDONALD AFTER PROTRACTED NEGOTIATIONS WITH BOURASSA, PERMIER OF QUEBEC, AND OTHER PROVINCIAL OFFICIALS. DURING THIS CALL, WHICH REPORTEDLY IRRITATED MACDONALD BECAUSE GIRAUD HAD FIRST APPROACHED QUEBEC OFFICIALS RATHER THAN FEDERAL OFFICIALS, GIRAUD INFORMED MACDONALD AS FOLLOWS: (1) AGREEMENT IN PRICIPLE HAD BEEN REACHED BETWEEN HIMSELF AND BOURASSA AND ALL THAT REMAINED WAS FOR "TECHNICIANS" TO DRAFT THE NECESSARY LANGUAGE FOR THE AGREEMENT. (2) ACCORDING TO GIRAUD, THERE WAS A "WINDOW" OPEN WHICH IF PROMPTLY EXPLOITED WOULD PERMIT EUROPE UNDER FRENCH LEADERSHIP TO BREAK LONGSTANDING US SUPPLY MONOPOLY IN ENRICHED URANIUM FIELD. ACCORDING TO OUR INFORMANTS, GIRAUD DWELLED AT GREAT LENGTH ON THIS ASPECT OF THE ENRICHED URANIUM SUPPLY PROBLEM TO THE IRRITATION OF BOTH MACDONALD AND HIS STAFF. APPARENTLY IT WAS SHORTLY AFTER THIS GIRAUD/MACDONALD MEETING THAT STAFF MEMBERS AT EM&R ENCOURAGED BRINCO TO ATTEMPT TO BREAK THE DEADLOCK WHICH HAD DEVELOPED IN ITS APPROACHES TO U.S. AEC. RESULT WAS CANADIAN AIDE-MEMOIRE TO WHICH DEPT REPLIED JULY 26. (3) SUBSEQUENT DISCUSSION BETWEEN OFFICIALS OF EM&R AND CEA LEND CREDENCE TO PRESS STORIES BEING CARRIED PRINCIPALLY IN MONTREAL PAPERS, E.G., LEDEVOIR, THAT PLANT WILL BE INITIALLY SIZED FOR 9,000 UNITS OF SEPARATIVE WORK WITH PROVISION FOR SUBSEQUENT DOUBLING. TARGET DATE FOR FINISHED FEASIBILITY STUDY IS DEC. 1974 WITH SUBSEQUENT TARGET DATE TO PRESENT FIRM PROPOSAL FOR PLANT TO GOC FOR APPROVAL "WITHIN THREE MONTHS". REASON THAT SUCH A SHORT TIME-SCALE HAS BEEN ESTABLISHED APPEARS TO BE THAT CEA ENGINEERS HAVE BEEN DOING NECESSARY TECHNICAL BACKGROUND PREPARATION FOR AT LEAST A YEAR AND POSSIBLY AS MUCH AS TWO YEARS.

C. EM&R HAS RECEIVED CONFIDENTIAL INVITATION FOR GOC OFFICIALS  
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 OTTAWA 02400 302215Z

AT WHATEVER LEVELS DESIRED BY GOC TO VISIT EXISTING FRENCH GASEOUS DIFFUSION PLANT IN ORDER FOR THEM TO OBTAIN WHATEVER INFORMATION THEY FEEL THEY WOULD NEED TO EXPEDITIOUSLY PROCESS FINAL PROPOSAL WHEN IT IS PRESENTED.  
PORTER

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** SCIENTIFIC COOPERATION, URANIUM, SUPPLIES, NEGOTIATIONS, NUCLEAR POWER PLANTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 30 JUL 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974OTTAWA02400  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** X1  
**Errors:** N/A  
**Film Number:** D740207-0409  
**From:** OTTAWA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t1974076/aaaaaevg.tel  
**Line Count:** 112  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION SCI  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:**  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** PARIS 18265  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** golinofr  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 25 MAR 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <25 MAR 2002 by collinp0>; APPROVED <14 MAY 2002 by golinofr>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** FRANCO-CANADIAN URANIUM ENRICHMENT COOPERATION  
**TAGS:** TECH, TGEN, CA, FR, (MCDONALD), (MACNABB)  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005